

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Joint Petition for Resolution of Disputes)	
Relating to Billing Performance)	Docket No. 03-0769
Measurements)	

**AFFIDAVIT OF JAMES D. EHR
ON BEHALF OF SBC ILLINOIS**

STATE OF ILLINOIS)
)
COUNTY OF COOK)

I, James D. Ehr, being of lawful age and duly sworn upon my oath, do hereby dispose and state as follows:

1. My name is James D. Ehr. My business address is 2000 W. SBC Center Drive, Location 4E60, Hoffman Estates, IL 60196. I am currently employed by Ameritech Services, Inc. in the position of Director of Performance Measures. In this position, I support Illinois Bell Telephone Company (“SBC Illinois”), and the four other Ameritech operating companies (collectively, “SBC Midwest”).¹ I am currently responsible for the development, implementation and ongoing administration of the wholesale performance measurements system used by the SBC Midwest operating companies. This system allows SBC Illinois, competing local exchange carriers (“CLECs”), state regulators such as the Illinois Commerce Commission (“Commission”), and the Federal Communications Commission (“FCC”) to monitor and evaluate SBC Illinois’ performance in providing

¹ Ameritech Corporation is a wholly owned subsidiary of SBC Communications, Inc. Ameritech Corporation owns the former Bell operating companies in the states of Michigan, Illinois, Wisconsin, Indiana, and Ohio. I refer to these five operating companies collectively as “SBC Midwest”.

products, facilities and services to itself and to Illinois CLECs in a nondiscriminatory manner consistent with its obligations under the Telecommunications Act of 1996 (the “1996 Act”). In addition, I am responsible for providing periodic reports on wholesale performance and investigating issues raised with respect to SBC Illinois’ performance (and the related performance reports) before state and federal regulatory agencies.

PROFESSIONAL EXPERIENCE AND EDUCATIONAL BACKGROUND

2. Since June 2001, I have been responsible for overseeing the processes and systems used by SBC Midwest to measure and report on the performance of its operations support systems (“OSS”) and the functions of ordering, pre-ordering, provisioning, maintenance and billing.
3. Prior to assuming my present position with SBC Midwest, I worked as a Solutions Consultant in the Network Software Solutions (“NSS”) organization within SBC Services Inc. from October 1999 through May 2001. In that position, I was responsible for management of network results reporting programs and projects. This included direct management responsibility for the Regulatory Reporting System (“RRS”) and AskMe applications. RRS is the primary application for SBC Midwest’s wholesale network performance measurements (installation & maintenance), while AskMe is the primary application for those same measurements in the Southwestern Bell Telephone System (“SBC Southwest”) region. In addition, I was the NSS organization’s lead for planning and strategy processes.
4. Prior to October 1999, I was a member of the Network Systems organization within SBC Midwest’s Information Services (“IS”) organization. In that role I was the IS lead for strategy and planning for all SBC Midwest IS network OSSs. Additionally, I managed

multiple IS projects and programs, including the design of network decision support and reporting applications. Overall, I have had over 15 years experience in external affairs and information services within the telecommunications industry, and over 18 years experience in the analysis, design, development, implementation and management of information systems projects and applications.

5. I earned a Bachelor of Science - Management Information Systems degree from Oakland University, Rochester, Michigan, in 1984 and a Masters of Business Administration degree from the University of Central Florida, Orlando, Florida in 1994.

PURPOSE AND SCOPE OF AFFIDAVIT

6. The purpose of my affidavit is to present SBC Midwest's position regarding the sixteen disputed issues from the 2003 third six-month review collaborative ("third PM review") identified in Attachment B to the "Amended Joint Petition For Expedited Resolution of Disputes Relating to Performance Measures" filed February 24, 2004 in this proceeding ("Amended Joint Petition").

BACKGROUND

7. I have participated as SBC Midwest's representative in several collaborative workshops on performance measures with state commissions and competing carriers throughout the SBC Midwest region. In particular, I participated in the third PM review that resulted in the filing of proposed Ill. C.C. No. 20, Part 2, Section 11 filed with the Commission on March 9, 2004 in Advice Letter IL 04-142, with a proposed effective date of April 23, 2004.

8. There are two basic types of disputes arising from the third PM review. The first type affects currently effective performance measurements. The second type consists of new performance measures proposed by CLECs that are opposed by SBC Midwest.

SBC ILLINOIS POSITIONS ON DISPUTES REGARDING CURRENT PERFORMANCE MEASURES

9. There are nine disputed issues affecting current performance measures.

Disputed Issue 1: Deletion of PM MI 11 (Average Interface Outage Notification).

10. SBC Illinois proposed the deletion of PM MI 11, Average Interface Outage Notification. In the third PM review, only MCI maintained a position opposing the proposal. SBC Illinois proposed deletion for two primary reasons. First, this a diagnostic PM with no assigned benchmark, and has been so since the initial implementation of the measure. No CLEC has proposed that the PM have either a standard established, or be subject to remedy, in any of the three six-month review PM collaboratives conducted since PM MI 11's implementation. As such, it appears that this PM is not a critical PM required to measure performance on a competition-affecting process. Secondly, SBC Midwest's performance results (this PM is reported on a regional, five-state basis as the OSS interfaces are not state-specific) have been outstanding over the last 12 months, averaging only 7.19 minutes to send the outage notification to CLECs from the time SBC determines an outage or potential outage has occurred. This performance confirms that SBC Midwest CLECs are provided timely notification of interface outages.
11. Lastly, production of results for PM MI 11 requires a costly, manually intensive process for collection, validation and audit of the data and results. Generation of the results

typically takes between eight to ten hours of manual effort per month by highly skilled Information Technology managers. It is a burdensome requirement for SBC Midwest to devote this level of resources to compiling data and generating results for a performance measure that has not generated any significant interest by CLECs over the past three years, and for which performance has been consistently excellent.

Disputed Issue 2: Increase in the UNE-P disaggregation benchmark in PM 13 (Order Process Percent Flow Through) from 95% to 98%.

12. SBC Illinois proposed moving from parity comparisons to benchmark comparisons for the submeasures of PM 13, Order Process Percent Flow Through, due to the dissimilar processing that Retail orders undergo compared to Wholesale orders. The CLECs agreed to move from parity comparisons to benchmarks. Agreement also was reached on the benchmark performance level for two of the three disaggregations. The remaining dispute centers on what the appropriate benchmark should be for the third disaggregation: percent flow-through for UNE-P orders designed to flow through. As with all performance benchmarks, the implication is that failure to meet or exceed the benchmark would indicate a probability of some negative competitive impact upon the CLEC. SBC Illinois proposed a 95% flow through benchmark standard for UNE-P orders. MCI proposed a 98% benchmark. Agreement could not be reached.
13. The flow-through measurement is important to SBC from an operational perspective because it makes good business sense to cost-effectively mechanically process as many requests as possible. However, like all other business processes, there is a point of diminishing returns where any operational benefit from additional automation is more than offset by the additional cost incurred. SBC Illinois will always receive service

requests that, because of their complexity (i.e. multiple lines, hunting arrangements, rural addresses), will experience limitations in the mechanized process such that manual intervention is required to ensure timely, correct processing of the order. This is necessary so that the end user customer is provided the proper service and is not left without service.

14. Understandably, customers have made their expectations very clear that the ILEC should provide the service ordered within the time frame promised. Current remedy-eligible UNE-P performance measures effectively capture whether the right service is delivered on time with the following measures:

- PM 5 Percent Firm Order Confirmations (FOCs) Returned within “X” Hours
- PM 28 Percent POTS/UNE-P Installations Completed Within Customer Requested Due Date
- PM 35 Percent Trouble Reports within 30 Days (I-30) of Installation

15. CLECs have argued that requests that do not flow through are subject to more error or result in more missed due dates and/or missed notifications, therefore making flow-through of orders critical to competition. In reviewing results for the notification timeliness and installation timeliness and quality measures listed above, SBC Illinois’ performance has been excellent. The table below depicts a comparison of the current UNE-P flow-through results (PM 13) with the results of those performance metrics that measure whether the order is confirmed in a timely manner and whether service is actually installed on time and is of a high quality (PMs 5, 28, 35). The comparison reveals that there is no correlation between the percentage of orders that flow through and either the timeliness of notification, the timeliness of delivery, or the quality of service delivered. Hence, there is no evidence that flow-through results have a negative impact on a CLEC’s ability to compete. Performance for FOC notification (PM 5) has regularly

been high and the quality and timeliness of UNE-P installation as shown in results for PMs 35 and 28 has been near perfect. Clearly, the fact that percentage flow-through on UNE-P orders designed to flow through has sometimes been at levels below MCI's proposed 98% benchmark has not affected performance with respect to notification timeliness, or performance with respect to installation timeliness and quality.

SBC Illinois UNE-P Flow-Through Performance						
Impact on Notification Timeliness and Installation Timeliness and Quality						
Performance Measure	Sept 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004
PM 13 (UNE-P) Percent of Orders That Flow Through	97.27%	97.56%	98.08%	97.56%	98.76%	99.30%
PM 5 (All UNE-P Submeasures) – Percent FOCs Sent On Time	99.60%	97.82%	99.90%	98.49%	99.71%	99.40%
PM 28 (All UNE-P Submeasures) – Percent Installs Within Customer Requested Due Date	98.94%	98.66%	99.38%	99.43%	99.21%	99.34%
PM 35 (All UNE-P Submeasures) – Percent Installation Trouble Reports	5.58%	5.44%	6.97%	6.00%	5.51%	4.97%

16. In addition, in SBC's Four-State Section 271 Authorization proceeding before the FCC (where Illinois was one of the four states), the FCC noted "SBC's wholesale flow-through rates in the four states that are subject of this joint application are within the range that we have accepted in previous applications."² SBC Midwest has already committed to a UNE-P order flow-through benchmark of 95% of all orders designed to flow through. There is no ILEC with a higher benchmark for UNE-P flow-through than the 95% standard proposed by SBC Illinois.

² *Application by SBC Communications, Inc., et al. for Authorization to Provide In-Region Inter-LATA Services in Illinois, Indiana, Ohio and Wisconsin*, Memorandum Opinion and Order, WC Docket No. 03-167, ¶ 97 & n. 395 (rel. October 15, 2003).

17. Furthermore, imposition of a benchmark higher than 95% would require SBC Midwest to prioritize, ahead of other change requests that could be more valuable to CLECs, OSS enhancements to increase UNE-P flow-through performance with no corresponding, demonstrable improvement in UNE-P FOC timeliness or installation timeliness and quality. Just like any other business, SBC Midwest must prioritize each OSS change, using the premise that work required to meet regulatory obligations must be completed as a first priority, and then remaining capacity (if any) is dedicated to the projects and enhancements that make the most sense to the business.
18. The fact of prioritization means that the significant resources that would need to be assigned to efforts to increase flow-through for UNE-P by a very small increment (1%, based on recent performance) would not be available for other enhancements desired by CLECs. And the resources dedicated to improving UNE-P flow-through would be significant because the situations where an order does not flow through occur infrequently, involve complex coding requirements, and typically affect a very limited subset of all CLECs doing business in Illinois.

Disputed Issue 3: Increase in benchmark for PM 100 (Average Time of Out of Service for LNP Conversions) from One Hour to Three Hours.

19. In the third PM review, SBC Illinois proposed to increase the current one-hour benchmark for PM 100, Average Time of Out of Service for LNP Conversions, to three hours, based on the anticipated impact of wireless number portability. The CLECs did not agree to this increase.
20. When many and large porting activities occur in a limited window of time, the queues for the Local Service Management System (“LSMS”) and Switching Control Points (“SCP”)

may become congested. These industry-standard systems manage and implement porting and pooling routing broadcasts from the Number Portability Administration Center (“NPAC”). In the past four months since wireless portability has been implemented, the number of ports has increased by approximately 300,000 to 400,000. The addition of the wireless ports to the already significant porting and pooling activities adds significant load on LSMS processing. The standard for SCP download rates is approximately 3 TNS per second. If the SCP LSMS receives activity significant enough to congest the queues, it is possible that there may be some ports that do not process within one hour.

21. All facility-based service providers are faced with the same issue. It is unreasonable to single out SBC and penalize it for the industry-standard for LNP processing. SBC Illinois had recommended extending the benchmark from one to three hours to provide adequate processing windows for working the queues, should there be a situation where large volumes of wireless ports generate larger than normal queues.

Disputed Issue 4: Deletion of PM 101 (Percent Out of Service <60 Minutes).

22. SBC Illinois proposed to delete PM 101 in the third PM review because it is duplicative of PM 100. MCI opposed deletion of PM 101. In the third PM review SBC Illinois alternately offered to retain PM 101, and delete PM 100. The CLECs chose not to accept that proposal either. SBC Illinois believes it is inappropriate to report the same performance in two separate measures, and more particularly, to be required to pay remedies on both measures. And this is clearly a case whereby SBC Illinois could be subject to the payment of remedies twice for the same performance failure.
23. The timeliness in which an LNP conversion (the actual activation of the port once notification from NPAC is received) is measured in PM 100 as the average time that the

customer is out of service (the time between receipt of the NPAC message and the time the port is activated). This exact same event is measured in PM 101, but as the percent of all LNP conversions completed where the time between receipt of the NPAC message and the time the port is activated is less than 60 minutes. The current standard for PM 100 is an average of 60 minutes. Obviously, any LNP conversion that exceeds sixty minutes will reflect negatively on both PM 100 results and PM 101 results.

24. SBC Illinois' proposal is consistent with the position that it has taken in the past and with which CLECs and state commissions have agreed: that is, SBC Illinois should not be subject to multiple remedy payments for the same transaction when performance for that transaction fails to meet or exceed the designated standard. The Commission can reasonably resolve this dispute in one of two ways: 1) agree with SBC Illinois' position and delete either PM 101 or PM 100 as duplicative of the other; or 2) retain both PM 100 and PM 101, but eliminate remedies on PM 101, thereby eliminating the risk of duplicative remedies.

Disputed Issue 5: Deletion of PM 113 (Percentage of Electronic Updates that Flow Through the Update Process Without Manual Intervention).

25. SBC Midwest proposed deletion of PM 113, Percentage of Electronic Updates that Flow Through the Update Process Without Manual Intervention, in the third PM review. MCI opposed this deletion.
26. The CLECs' justification for flow-through percentage measurements has been that any order or transaction that requires manual intervention by SBC Illinois to complete is, in their view, more likely to experience errors, and more likely to not be completed in a

timely fashion. Accordingly, according to the CLECs, a flow-through measure has merit if existing measures do not measure timely and accurate completion of orders.

27. However, in this context, SBC Illinois already has a remedied performance measure (PM 110, Percentage of Updates Completed into the DA Database within 72 Hours for Facility-Based CLECs) that assesses the timeliness of DA Database updates. As a result, the impact on timely completion of DA orders that fail to flow through, and require manual intervention, is already reflected in the results of PM 110, and remedies are paid for performance that does not meet or exceed the established standards. Thus, there is no need for PM 113. Unless PM 113 is eliminated, SBC Illinois will be subject to duplicative remedies with regard to timely DA Database updates.
28. SBC Illinois also has a PM that assesses the quality of the manual updates that are made to the DA Database. PM 112, Percentage DA Database Accuracy for Manual Updates for Facility-Based CLECs, reports the number of manually-handled updates that are processed without error as a percentage of the total updates that require manual intervention. Accordingly, if updates that fail to flow through (and require manual handling) are updated in error, that impact is readily identifiable in the results of PM 112.
29. The table below provides SBC Illinois' results for the past six months for PM 113, PM 110 and PM 112. As can be seen from the information presented in the table, the flow-through percentage for DA Database updates is very high. At the same time, timeliness of all updates and accuracy of manual updates made is also very high.

SBC Illinois DA Database Flow-Through Performance Impact on Update Timeliness and Accuracy						
Performance Measure	Sept 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004
PM 113 Percentage of Electronic Updates that Flow Through the Update Process without Manual Intervention	99.67%	99.91%	99.86%	99.95%	99.85%	99.91%
PM 110 Percentage of Updates Completed into the DA Database within 72 Hours for Facility-Based CLECs	99.96%	99.97%	99.99%	100.00%	100.00%	100.00%
PM 112 Percentage DA Database Accuracy For Manual Updates for Facility-Based CLECs	99.64%	99.92%	100.00%	98.96%	100.00%	100.00%

30. Flow-through performance on DA Database updates has exceeded 99.6% of updates received that flowed through in each of the past six months. And timeliness of completion of the updates was similarly excellent, exceeding 99.9% in each month. In fact, in three recent months, 100% of the updates were processed within 72 hours, including those that required manual intervention. And lastly, the quality of updates processed manually was also very high, exceeding 98.9% in each of the past six months, with performance for three of the six months being 100% (no inaccurate manual updates made).
31. Clearly, there is no flow-through timeliness or accuracy problem with SBC Illinois' DA Database update process. The absence of such problems and the fact that any deficiencies in this area would be revealed in the performance results for PM 112 and PM 110 support SBC's proposal to delete PM 113 as a duplicative and unnecessary performance measurement.

Disputed Issue 6: Revisions to PM 117 (Percent NXXs Loaded and Tested Prior to the LERG Effective Date) to expand the scope.

32. In the third PM review, MCI proposed revisions to PM 117, Percent NXXs Loaded and Tested Prior to the LERG Effective Date. MCI's proposal for PM 117 is attached as Exhibit JDE-1. Specifically, MCI proposed that the test and load function currently measured in the PM be artificially split into separate functions, with each being subject to separate measurement. MCI also proposed that Re-Home NXXs be included in an expanded PM 117. SBC Midwest opposed MCI's changes, as they would fundamentally redefine the scope of the PM, and are not designed to address any current problems with SBC Illinois performance.
33. The test and load of new codes are infrastructure functions that are planned and managed as one activity. MCI has incorrectly suggested that "SBC may count any loadings completed by the LERG effective date as meeting the metric event though testing has not occurred." Exhibit JDE-1. However, SBC's standard for NXX implementation does not allow NXXs to be loaded without testing. Separating these processes could cause potential customer call completion problems. As is stated in the PM in effect today, the intent is to track and report the percent of NXXs Loaded and Tested prior to the LERG effective date. In the third PM review, MCI alleged there were problems created by SBC's loading and testing processes that prompted MCI's proposed PM changes. SBC is unaware, however, of operational problems with code openings. In an effort to understand and address MCI's issues, SBC held off-line business-to-business discussions with MCI to better understand its concerns. On several occasions SBC requested that MCI provide specific examples of instances where, MCI claimed, SBC failed to properly load and test MCI's NXXs. To date, MCI has provided no examples.

34. MCI also proposes the addition of Re-Home NXXs to PM 117. The Business Rules for PM 117 refer to data for “the **initial** NXX(s)...” (see Exhibit JDE-1), showing that the intent of PM 117 is to measure new code activation. Re-Homing of NXXs is considered code movement, which is rearrangement activity. The process for implementation of Re-homing NXXs is distinctly different than that for implementation of a new NXX. Additionally, SBC is unaware of any problems experienced by CLECs due to re-homing activities. SBC Illinois opposes MCI’s request to add the Re-Home NXX activity to this measure because it is a process that is dissimilar to NXX loading and testing. MCI’s proposal will change the original intent and scope of PM 117 to measure new NXX codes. Moreover, based on the extremely low volume of activity for this measure, any additional changes to the PM are simply unnecessary and would give rise to unjustified implementation costs for SBC Illinois.

Disputed Issue 7: Revisions to PM 118 (Average Delay Days for NXX Loading and Testing) to expand the scope.

35. MCI proposed the same type of revisions to PM 118, Average Delay Days for NXX Loading and Testing, that it proposed for PM 117. MCI’s proposal for PM 118 is attached as Exhibit JDE-2. Specifically, MCI has proposed that the test and load function be split and measured as two separate functions. MCI has also proposed that Re-Home NXXs be included in the measure. SBC Midwest opposes these changes to PM 118 for the same reasons that it opposes the changes MCI proposes for PM 117: the proposed changes would fundamentally redefine the scope of the PM, and are not designed to address any current deficiencies in SBC Illinois performance.

36. As I just stated in my discussion of Disputed Issue 6 regarding PM 117, the test and load of new codes are infrastructure functions that are functionally and operationally bound as a single activity. In support of its proposed changes, MCI has asserted that “Lateness will be measured from the LERG effective date/due date regardless of whether testing was not possible because of CLECs failure to provide needed infrastructure or test number.” Exhibit JDE-2. The purpose of PM 118 is to track and report SBC’s performance with regard to the Average Delay Days for NXX Loading and Testing as one combined function. SBC’s standard for NXX implementation does not allow NXXs to be loaded without testing. Separating these functions could cause potential customer call completion problems.
37. MCI also proposes the addition of Re-Home NXXs to this measure. The intent of PM 118 is to measure new code activation delay days; Re-Home NXXs are considered code movement, which is rearrangement activity. MCI’s proposal thus will significantly alter the current scope and intent of PM 118, which is the measurement of new NXX code activation. SBC Illinois opposes MCI’s request to add the Re-Home NXX activity to this measure. The original intent and purpose of the measure would be lost with MCI’s changes. Additionally, performance data for PM 118 is minimal. Based on the extremely low volume of activity for this measure, any additional changes are unnecessary and would give rise to unjustified implementation costs for SBC Illinois.

Disputed Issue 8: Addition of remedies to PM CLEC BLG-4 (Accuracy of Rate Table Updates).

38. In the billing performance measurement collaborative (“billing PM collaborative”) conducted during Spring and Summer 2003, the parties discussed measurement of the

accuracy of rate table updates to explore ways to address CLEC concerns that the impact of rate table update errors would not be visible to CLECs or regulators without a comprehensive billing accuracy performance measure. Such a PM was not finalized in that collaborative, and both SBC and TDS Metrocom proposed to continue work to finalize such a PM in the third PM review.

39. SBC Illinois agreed to implement the performance measure, CLEC BLG-4, in the third PM review to address the billing rate table update accuracy concerns. The CLECs also agreed to the implementation of this measure. However, SBC Illinois agreed to implement CLEC BLG-4 on a diagnostic basis only. Since no specific problem has been identified, no performance standard is necessary at this time.
40. Implementation of this PM on a diagnostic basis will allow CLECs, SBC and the Commission to ensure that this performance measure reasonably and accurately reflects SBC Illinois' performance in processing contract or tariff billing element updates. In past collaboratives, new performance measures have typically been implemented on a diagnostic basis (i.e., no defined standard, no remedies) in order to establish a baseline to determine the appropriate performance standard that would identify the minimum level of performance required to avoid adverse competitive impact. SBC Illinois has agreed to this same approach in the third PM review collaborative for this new PM.
41. Imposition of a performance standard or remedy for PM CLEC BLG-4 in this diagnostic phase would be arbitrary, since it would be unsupported by any evidence of performance that adversely impacted a CLEC's ability to compete. The CLECs and the Commission should observe the performance that will be reported for this PM first, and then allow the collaborative process to take its course. SBC Illinois has agreed to review the diagnostic

classification of this PM in the next six-month review collaborative expected to commence during July 2004 (“fourth PM review”). At that time, based on actual performance results, SBC Illinois will work with CLECs to determine (a) if the performance measurement is still required (given the expectation that SBC Illinois will be implementing a comprehensive billing accuracy performance measure); and, if the measure will continue to be reported, (b) what the appropriate performance standard would be and what, if any, remedies should apply. Prior to those discussions, it is unnecessary and inappropriate for the Commission to take any action to impose a performance standard or remedy amount on this PM, as any standard would be arbitrary and unsupported by any data.

Disputed Issue 9: Revisions to PM CLEC BLG-5 (Rate Table Correction Timeliness) to add remedies.

42. As with Disputed Item 8 regarding PM CLEC BLG-4, Accuracy of Rate Table Updates, discussion of a PM assessing the timeliness in which SBC Illinois processes rate table corrections initially occurred in the billing PM collaborative during 2003. The issue carried forward into the third PM review, where SBC and TDS Metrocom proposed to discuss this PM.
43. As in the case of PM CLEC BLG-4 described above, SBC Illinois agreed to implement this PM on a diagnostic basis. The same rationale for treatment of PM CLEC BLG-4 as diagnostic applies here in respect to CLEC BLG-5. That is, no evidence has been shared identifying competitive harm incurred resulting from a specific level of performance, and implementation of new PMs – measuring processes that have not previously been measured in performance measures – have typically been on a diagnostic basis. Again,

initial implementation on a diagnostic basis only is necessary to allow for the collection of performance results upon which (a) to determine if the PM reasonably and accurately reflects SBC Illinois' performance, and (b) to base the level of performance required, at minimum, to avoid potential negative competitive impact.

44. Accordingly, as with PM CLEC BLG-4, SBC Illinois has agreed to review the diagnostic classification of this PM in the fourth PM review. At that time, based on actual performance results, SBC Illinois will work with CLECs to determine (a) if the performance measurement is still required (given the expectation that SBC Illinois will be implementing a comprehensive billing accuracy performance measure); and, if the measure will continue to be reported, (b) what the appropriate performance standard should be and what, if any, remedies should apply. Prior to those discussions, it is unnecessary and inappropriate for the Commission to take any action to impose a performance standard and remedy amount on this PM, because a standard would be arbitrary at this time.

SBC ILLINOIS POSITIONS ON DISPUTES REGARDING PROPOSED PERFORMANCE MEASURES

45. There are six disputed issues affecting performance measures proposed by CLECs and opposed by SBC Midwest.

Disputed Issue 10: Addition of, or an implementation schedule for, a new Billing Accuracy performance measure.

46. MCI and TDS Metrocom are submitting a dispute on a proposed new, comprehensive billing accuracy performance measure. At this time, SBC Illinois is not certain of the

specifics of the dispute other than it was aware of contention as to what to include or exclude from the measure, and what the implementation timeframe should be for such a measure. Those were the primary items that were in contention at the close of the billing PM collaborative where this measure was first extensively discussed and debated. SBC Illinois' position on such a PM, and when it can be implemented, are discussed below in anticipation that the dispute to be filed by MCI and TDS will focus on those particular issues.

47. In the billing PM collaborative, SBC Illinois distributed for discussion purposes the billing accuracy measure implemented by SBC Illinois' affiliate, SBC California. Discussion of this measure in the third PM review then focused on calculation methodology and what types of adjustments should be included or excluded from the measure. The parties were unable to come to agreement on an acceptable PM design within the timeframe of the 2003 collaborative sessions. Since that time, SBC Midwest has continued to conduct research and has initiated systems development and process change management work needed to capture the data that would be subject to measurement. In this fashion, implementation of the PM could be undertaken in a more expeditious manner once the parties agree to final details. SBC Illinois expects such agreement to be reached in the upcoming fourth PM review.
48. At this time SBC Midwest continues that work, and re-emphasizes its commitment to implement a comprehensive billing accuracy performance measure. In an effort to simplify reporting on billing performance, SBC Illinois expects that such a measure, once implemented, will eliminate the need for many, if not all, other billing PMs.

49. SBC Illinois is aggressively developing processes to mechanically identify categories of adjustments and to be in a position to report the measure eventually agreed-to. Prior to the time when the Parties agree on the details of the PM, the existing version 1.9 Billing performance measures, augmented by the addition of five new Billing measures in 2004,³ provide sufficient reporting of SBC Illinois' wholesale billing performance. The Commission should defer any decision on this dispute regarding a billing accuracy PM to the filings that will result from the upcoming fourth PM review, where SBC Illinois will be able to commit to the specifics of the measurement and the specific months in which implementation will commence.

Disputed Issue 11: Addition of a performance measure to assess Repeat Billing Disputes.

50. In the third PM review, TDS Metrocom proposed implementation of a PM for repeat billing disputes. In actuality, TDS Metrocom distributed two separate PMs, one numbered and titled "CLEC BLG-4(A), Percent of Repeat Billing Exceptions" and a second numbered and titled "CLEC BLG-4(B), Average Duration of Repeat Billing Exceptions."⁴ Both of these TDS Metrocom proposals are included in Exhibit JDE-3 attached to this affidavit. These PMs, as distributed by TDS Metrocom, would assess the impact to a CLEC's monthly bill of what TDS Metrocom termed "billing exceptions."
51. Billing exceptions, as the proposed PMs described, would involve "the same Circuit ID, with the exception due to the same USOC, but on a different Bill Date." Exhibit JDE-3, p. 1. Upon review, it became apparent that this proposal was actually another slant on the

³ The five PMs are: (1) PM 125, Percent Matching UNE-P Provisioning & Billing DB Records; (2) CLEC BLG-2, Percent of Billing Claims Acknowledged within 5 Business Days; (3) CLEC BLG-3, Percent of Billing Claim Resolution Notifications Sent within 5 Business Days; (4) CLEC BLG-4, Accuracy of Rate Table Updates; and (5) CLEC BLG-5 Rate Table Correction Timeliness.

comprehensive billing accuracy PM that had been discussed in the Billing PM collaborative and in the third PM review collaborative (as described under Disputed Issue 10 above), and did not necessarily have anything to do with actual disputes that would be filed. As such, there was some confusion over what the proposal really was meant to address, and what the PMs would actually measure.

52. SBC Illinois' response to the proposal was that it was already prepared to implement the PMs CLEC BLG-4, Accuracy of Rate Table Updates, and CLEC BLG-5, Rate Table Correction Timeliness, and that those PMs would report on:

- How often there are incorrect rate table updates (the *cause* of the USOC with the incorrect rate that was described as a "billing exception" in the proposed measures, or the cause of the problem to be addressed in TDS Metrocom's first proposed PM in Exhibit JDE-3); and,
- How long it would take to correct an incorrect rate once discovered (delay which would cause multiple months where the rate being charged for a USOC might be incorrect, the cause of the problem to be addressed by TDS Metrocom's second proposed PM in Exhibit JDE-3)

53. SBC Illinois opposed implementation of the two repeat billing exception PMs proposed by TDS Metrocom, because SBC Illinois had already agreed to implement the two rate table PMs that report on errors, and delays in fixing them, that generate the symptoms TDS Metrocom sought to report in its proposed measures. In other words, SBC had already agreed to PMs that would address these issues by measuring the process in which the errors might occur, in contrast to PMs that would merely measure the symptom. Measuring the actual process will allow SBC Illinois to identify problem areas in the most efficient and timely fashion, rather than the less efficient process of identifying symptoms.

⁴ These two proposed performance measures were distributed to the SBC Midwest PM Collaborative participants via email from Todd McNally of TDS Metrocom on September 30, 2003.

54. In addition, SBC Illinois had already communicated to the parties in the third PM review its plans to implement a comprehensive billing accuracy PM. Adding these two additional PMs proposed by TDS Metrocom would require a separate, but equally complex effort, comparable to the effort required to implement the bill accuracy PM. Therefore, the two additional PMs proposed by TDS Metrocom could not reasonably be implemented any earlier than the comprehensive billing accuracy PM. The impact of the billing exceptions TDS Metrocom proposes to measure should be reflected in the results reported from the billing accuracy PM. As such, implementation of these two PMs, along with the comprehensive billing accuracy PM, would necessarily result in duplicative reporting.
55. In summary, SBC has already agreed to implementation of two PMs that measure the process where billing exceptions, as defined by TDS Metrocom, would occur. Accordingly, there is no reason to add the two, duplicative measures proposed by TDS Metrocom. In addition, implementation of the comprehensive billing accuracy PM will eliminate the need for these PMs, as the impact would be reflected in the billing accuracy PM. The Commission should reject TDS Metrocom's proposed repeat billing exception PMs as duplicative of other PMs already agreed-to, or planned, for implementation.

Disputed Issue 12: Addition of a performance measure to assess Back Billing.

56. In the third PM review TDS Metrocom proposed implementation of a PM CLEC-BLG-5, Percent of Back-billing. This TDS Metrocom proposal is attached as Exhibit JDE-4. This PM, as proposed, would measure "the frequency where charges appearing on SBC-Midwest's invoices are from services provided prior to the billing period that the invoice covers." Exhibit JDE-4, p.1. SBC Illinois did not agree to implement this PM.

57. SBC Illinois' disagreement with the addition of this PM is based on the existence of continuing discussions on implementation of a comprehensive billing accuracy PM. The PM proposed by TDS Metrocom essentially duplicates the billing accuracy measure that SBC Illinois is working to implement, and that MCI and TDS Metrocom have disputed. The TDS proposal differs only in that it would report on back billing only, and thus may have a more limited scope than the comprehensive billing accuracy PM being worked on by SBC Illinois.
58. Second, such a focused PM is not necessary, as the ability to bill a CLEC on a retroactive basis is governed by contractual agreements. Interconnection Agreements ("ICAs") allow SBC Illinois, as the billing party, to debit or credit (collectively, "back bill") unbilled, under billed, or over billed amounts for time periods ranging from approximately four (4) months to twenty-four (24) months, depending on the negotiated ICA language.
59. SBC Illinois strives to render accurate bills in a consistent manner, minimizing back billing, though it does have a contractual right to back bill omitted or corrected charges pursuant to the ICA. It is advantageous for SBC Illinois to render bills correctly to eliminate the time and labor associated with processing claims and backbilling. SBC Illinois has, in the past, faced challenges with establishing new billing and ordering processes associated with the offering of Local products. But it is important to note that the Company has made great progress in this area and has put processes in place to accommodate the various billing and ordering arrangements required by multiple ICAs.
60. Additionally, the proposed performance measure does not allow for any exceptions to the measurement. Backbilling is not always a case of incorrect billing. Many times

backbilling will occur as a result of a Commission order, a regulatory ruling, or the retroactive application of rates pursuant to ICA language related to renegotiated successor agreements. Such billing adjustments should not reflect negatively on SBC Illinois' billing performance since, in fact, such adjustments actually result in more accurate bills.

Disputed Issue 13: Addition of a performance measure to assess Billing Disputes Finalized in 90 Days.

61. In the third PM review McLeodUSA proposed a measure that would report on the percent of all billing disputes that are finalized within 90 days of submission of the billing dispute. This McLeodUSA proposal is attached as Exhibit JDE-5. Finalization, as defined in McLeod's proposed PM, is when "full credit, as outlined by SBC in the Resolution Notification, appears on CLEC invoice from SBC." Exhibit JDE-5.
62. SBC Illinois could not agree to this performance measure in the third PM review because the proposed PM is not needed or appropriate. Two PMs that assess the new billing claims process were previously defined by the billing PM collaborative, were agreed to, and will be implemented with March 2004 results reported in April. As requested by the CLECs, these two PMs would measure the timeliness of a billing claim acknowledgement (PM CLEC BLG-2, Percent of Billing Claims Acknowledged Within 5 Business Days) and the timeliness of claim resolution (PM CLEC BLG-3, Percent of Billing Claim Resolution Notifications Sent within 30 Business Days).
63. As a threshold issue, these two PMs were jointly developed and agreed-to with the CLECs in the billing PM collaborative in 2003 as adequate to measure performance on processing billing claims. The proposal here by McLeodUSA to add an additional

measure was already addressed in the discussions in 2003, and the parties determined such a PM was not needed. Nothing has changed to indicate that an additional measure is now needed (or at least no claim was made by McLeodUSA or any other CLEC in the third PM review collaborative that new performance issues had arisen). In fact, the process that this measure is proposed to assess has only been in place since February 2004 (i.e., less than two months). This dispute was submitted before the new, enhanced process had even begun and before any party could understand the impact of the process improvements on any performance issues, perceived or real, of the past. Experience with the process, under the already agreed-to measures, is needed to determine if any issue exists such that the proposed measure is appropriate.

64. In addition, the agreed-to PM CLEC BLG-3 already includes all work activities required to finalize resolution of the claim. Application of any credit or adjustment to the CLEC account is part of the Billing Claim Resolution process. The Billing Claim Representative that investigates the claim is to take all steps necessary to have the appropriate adjustment (if any) applied to the CLEC account. This activity takes place prior to the resolution notification (timeliness of which is assessed in PM CLEC BLG-3) being sent to the CLEC. As a result, all billing claim work activity required to “finalize” the claim resolution is already completed, and will be reported, within the results of PM CLEC BLG-3. The additional time McLeodUSA seeks to measure is simply the time between when resolution notification is sent and when the bill that will contain the adjustment is generated. This timeframe is controlled by the billing cycle schedule, and does not reflect any claim processing activity. It is therefore inappropriate to measure this time interval, given the billing claims PMs already agreed-to for implementation.

65. As described above, SBC Illinois has agreed to the implementation of PM CLEC BLG-3 with March 2004 results to be reported April 20, 2004. The addition of this new billing claim PM adequately addresses McLeodUSA's desire to "encourage SBC to promptly investigate and finalize a CLEC billing claim/dispute," as McLeod USA stated in the proposal rationale submitted to the PM collaborative. As such, McLeodUSA's proposal for this additional PM is clearly duplicative, and the Commission should not support McLeodUSA's proposal.

Disputed Issue 14: Addition of a performance measure to assess the Percent of Open SBC Midwest CLEC Impacting OSS System/Software Defect Reports (DRs) and Change Requests (CRs) Created Per DRs Resolved Within "X" Days.

66. In the third PM review collaborative, the CLECs submitted seven separate proposals for additional measures of SBC Illinois' Change Management Process ("CMP"), along with a proposal to change the existing measure PM 124. SBC Illinois indicated that these proposals appeared to overlap and were somewhat duplicative, while also being too numerous to consider. SBC Illinois took the position that, if the CLECs could jointly propose one or two measures of the CMP (rather than seven separate proposals) that would replace the current PM 124, SBC Illinois would be able to consider their proposals.
67. The CLECs agreed to this proposal. However, when they submitted their response, it still contained seven individual PM proposals: six new ones and a seventh representing changes to the existing PM 124, contrary to SBC Illinois' expectation from the collaborative discussions. And two of the proposals actually included two PMs each, for a total of nine separate proposed PMs. As SBC Illinois had originally indicated, only one or two measures would be reasonable to discuss. In addition, SBC Illinois advised the

CLECs in the third PM review collaborative discussions that the CLECs' PM proposals were premature. In particular, they specified performance standards that had not been worked through the CMP forum so that appropriate operational agreements could be reached, and any required process changes could be made, in advance of considering performance measures for the process. Accordingly, SBC Illinois could not agree to the implementation of any of the proposed new measures. SBC Illinois did respond to the proposed changes to PM 124 with modifications (to which CLECs agreed) that could be implemented on condition that the other, premature PM proposals would be withdrawn until the process issues related to the proposed standards could be fully discussed in the CMP forum. The CLECs refused this offer, and the two disputes here (this one and Dispute Number 15) resulted. Exhibit JDE-6 attached to this affidavit is the CLEC proposal regarding Change Requests ("CRs") and Dispute Requests ("DRs") for Disputed Issue 14.

68. The specific focus of this dispute is the continuing CLEC effort to impose operational standards on the Change Management Process ("CMP") without reaching collaborative agreement to those standards in the CMP forum. The PM proposed is a measurement of resolution timeliness for OSS Defect Reports (DRs) and Change Requests (CRs). The CLECs seek to impose a measurement of the OSS CMP outside of the CMP forum.
69. With the issue properly framed, it is important for the Commission to understand SBC Illinois' commitment to the CMP. SBC Illinois supports the standards defined by the Ordering & Billing Forum ("OBF"), and regularly upgrades its pre-order and order interfaces to provide enhanced capabilities to CLECs. The CMP provides a jointly developed, refined process to manage change to those interfaces and other OSS in a

manner that serves both the CLEC industry and SBC across its thirteen states. As a tool for monitoring the Company's compliance with its wholesale obligations, performance measures and a remedy plan are intended to report on the provisioning of access to wholesale products and services, including the associated OSS capabilities, in the same or comparable fashion as products and services are provided to SBC Illinois' retail operation.

70. It is also important for the Commission to recognize that SBC Illinois is already subject to remedies when it fails to meet performance standards as a result of OSS defects. For example, should it fail to issue a timely Firm Order Commitment, SBC Illinois is subject to Tier 1 remedies and Tier 2 assessments if that failure falls outside of the benchmark standard. In the same fashion, when SBC Illinois fails to meet installation standards, it is subject to remedies and assessments as well. Thus, the impact of any OSS limitations on a CLEC's ability to compete is appropriately addressed in the measures of performance that truly impact the CLEC.
71. SBC Illinois is committed to all of these tools (the CMP, the performance measures and remedy plan) as mechanisms to enhance its role as a wholesale provider of telecom services to CLECs. As evidence of its commitment, in the last year, through collaboration in the CMP, SBC Midwest has implemented the following enhancements to the Defect Process:
 - Implemented the Change Management Communication Plan (CMCP) in all regions, which included the addition of the Enhanced Defect Report available to CLECs on the CLEC OnLine Website and a process for notifying CLECs of changes to the OSS that occur outside of the trimester releases.
 - Added additional resources to perform Defect Tracking and Root Cause Analysis in order to further enhance OSS and release quality.
 - Added Regression Test Cases to ensure increased quality in software releases.

- Instituted regular (monthly) reviews with upper management focused on progress in defect reduction.

72. The above steps have produced the following results:

- There has been a 44% decrease in the number of defects opened from June 2003 to December 2003 – the quality of the OSS interfaces and releases has increased significantly.
- In December 2003, of the defects opened, 18% were closed as “opened in error, or Duplicate”, 33% were resolved, and 49% were open, of which 31% had identified fixes and were being worked through the Defect Management Process; metrics on defect and change request resolution are available to CLECs on CLEC OnLine.

73. SBC Midwest understands concerns that CLECs had in the past regarding the CMP, and it has responded with many enhancements. Further, the data on performance in resolving defects and implementing change requests is made available to CLECs through status reporting available on the CLEC OnLine website. There is no need for imposition of any performance measure on a process that works well and is producing the results CLECs need. Ultimately, the issue here is whether there should be a performance measure to assess the Percent of Open SBC Midwest CLEC Impacting OSS System/Software Defect Reports (DRs) and Change Requests (CRs) Created Per DRs Resolved Within “X” Days. Such a measurement has nothing to do with determining whether SBC is providing CLECs with access to OSS on a nondiscriminatory basis. All that this PM would show is that SBC Illinois did not resolve a defect report on a software change dictated by the CMP within some arbitrary time frame. That, in and of itself, has nothing to do with the question of whether SBC is providing CLECs with access and interconnection on a nondiscriminatory basis. Further, it interferes with SBC’s ability to properly manage the scheduling and implementation of OSS changes. The proper way to measure the

effectiveness of SBC's OSS is to examine its impact on CLECs, not to allow CLECs to manage SBC's business.

74. Moreover, failure to meet an arbitrary deadline does not necessarily mean that CLECs are adversely impacted. How is the arbitrary date for resolving defects to be chosen and on what basis? How are the questions of whether the timing of an OSS change is "CLEC impacting," and to what degree it is "CLEC impacting," to be determined in the first instance? Reasons for issuance of defect reports can vary substantially. But for the fact of SBC Illinois notifying the CLECs that there is a defect in a programming change, they normally would not even know that a delay has occurred. For all of these reasons, this proposed PM should be rejected. SBC Illinois' desire to have an efficient OSS for wholesale customers gives it a good incentive to continue to maintain a robust, quality OSS interface with full CLEC participation through the jointly-developed and managed CMP. The existence of performance measures and a remedy plan that address the true competition-affecting impact of any OSS defects provides the Commission, and CLECs, with additional assurance that any competition-affecting defect will be corrected in a timely manner.

Disputed Issue 15: Addition of a performance measure to assess the Percent of Change Requests Implemented Within 60 Weeks of Prioritization.

75. This CLEC proposal to measure the Percent of Change Requests Implemented Within 60 Weeks of Prioritization is one of the PM proposals for the CMP discussed under Disputed Issue 14 above and is attached as Exhibit JDE-7. The same background and discussion supporting SBC Illinois' opposition to the measure for DR and CR resolution timeliness apply to this proposal as well. Additional rationale is provided below.

76. The CLECs' desire to impose this PM is a thinly veiled attempt to have all CLEC-initiated and prioritized change requests implemented, regardless of value to the industry or cost to SBC Illinois. The CLECs will likely argue that this is not the case, as they did in the collaborative when SBC Illinois made this same assessment of the proposal. However, the proposed benchmark of 98%, and the intent to have assessments paid to the State beginning six months after implementation, clearly would require SBC Illinois to implement virtually all CLEC-initiated and prioritized CRs or fail the measure and make payment to the State.
77. However, the 13-State CMP (which this metric is intended to measure) was developed through a collaborative process resulting from a FCC merger condition and does not obligate SBC to implement CLEC Change Requests according to any type of schedule, nor does it require SBC to implement any specific number or percentage of CLEC-initiated Change Requests. To require SBC to implement virtually all CLEC Change Requests as a result of a PM – no matter the cost, feasibility, practicality or measured benefit to the industry of each of those CRs – is unfair and makes neither good business sense nor public policy.
78. Furthermore, imposition of a performance measure on implementation of CLEC proposed changes would not assess SBC's compliance with its OSS obligations – which are the only legitimate basis for a PM. Requiring SBC to implement all CLEC CRs, regardless of merit or other ongoing OSS enhancements, would make it harder for SBC to maintain nondiscriminatory interfaces. It is not unusual for CLECs to disagree on proposals, or for proposals that would benefit certain CLECs to function to the detriment of others. As the owner of the OSS and the one responsible for maintaining it and

financing enhancements, SBC must remain in control of its systems, subject to the proper working of Change Management.

79. For each Change Request (“CR”) submitted by a CLEC, SBC performs a benefit analysis, looking at multiple factors, as part of accepting and assessing that change request. That benefit analysis is input to the prioritization process in which CLECs have a voice. Not all CRs initiated by SBC are implemented, just as not all CLEC-initiated CRs are implemented. All CRs that are ultimately implemented benefit the CLEC community because they enhance the OSS. Further, many of the CRs initiated by SBC eliminate the need for CLECs to submit their own CRs. SBC’s record of implementing CLEC Change Requests is good. Since 2000, SBC has implemented over 200 CLEC-initiated Change Requests. A significant portion of our recent March release was a change request to implement the LSPAUTH field, which was initiated by SBC as a direct result of CLEC requests through the Change Management meetings.
80. Ultimately this proposal seeks to require SBC to implement every CR initiated by CLECs, regardless of (a) SBC’s capacity to do the work (in terms of resources and costs), (b) the technical feasibility of the CR, and (c) the benefits (or lack thereof) that would accrue to the CLEC industry and SBC. And CLECs could use this performance measurement requirement to force SBC Illinois to implement OSS or interface changes that are more appropriately implemented in the CLEC’s own OSS, thereby inappropriately reducing their own costs at the expense of SBC Illinois. For example, a CLEC submitted a request for SBC to run quarterly reports on the CLEC’s “pipeline” orders prior to the retirement of a version of the OSS interface. This is clearly something the CLEC could program to track in its own interface. Another example involved a

request for additional IP addresses for disaster recovery purposes. This request would have put the burden on SBC to develop a CLEC's disaster recovery routing, when the CLEC has the capability to develop this itself, without additional IP addresses.

81. SBC also receives Change Requests that can be categorized as “nice to haves” but are not fundamentally involved in the submission or processing of Local Service Requests (“LSRs”) from CLECs. For example, SBC received a change request from a CLEC for SBC to modify the recording for a number change to shorten the pause. Another Change Request wanted SBC to provide non-standard (OBF) information on the FOC to show whether the LSR was mechanically or manually processed. Neither of these change requests is critical in the efficient processing of LSRs. Fourteen percent of the total CLEC-submitted CRs fall into this category. This PM would require that SBC implement virtually all of those requests.
82. As already discussed under Disputed Item 14, the forum in which to negotiate such changes to the CMP would have been in the recently completed CMP collaboratives. Here, as is the case with the previous disputed item, the CLECs are bypassing collaborative, business-to-business negotiations (the proper way to change the CMP) and seek imposition of a performance measure that forces SBC Illinois to essentially be at the “beck and call” of each individual CLEC when it comes to OSS and interface change requests. Such a PM could encourage (in fact, reward) CLECs to submit change requests for each and every little item they can think of, knowing that the PM would drive SBC Illinois to implement each and every change, regardless of value, if it seeks to avoid the performance measurement “miss” and associated Tier 2 assessments.

83. The Change Management Process guidelines already address a CLEC's right to resort to Commission proceedings to seek changes to the OSS, in addition to the CLEC's right to propose (or oppose) changes via Change Management. Those guidelines give CLECs all the protection they legitimately need to insure that SBC Illinois' OSS operates in a nondiscriminatory manner without turning over the management of SBC's systems to its wholesale customers.
84. In summary, imposition of a performance measure on SBC's implementation of CLEC proposed changes would not assess SBC's compliance with its OSS obligations. Imposing a PM that would effectively require SBC to implement all CLEC proposals, regardless of their merit or any other ongoing OSS enhancement, would make it harder for SBC to maintain nondiscriminatory interfaces. SBC must operate the OSS for the benefit of all users of the system. As the owner of the system and the one responsible for maintaining it and financing enhancements, SBC must remain in control of its systems, subject to the proper working of Change Management. The Change Management Process provides CLECs the right to resort to Commission proceedings to seek changes to OSS, in addition to the CLEC right to propose (or oppose) changes via Change Management. This right provides CLECs with all the protection they legitimately need to insure that the SBC OSS operate in a nondiscriminatory manner without turning over the management of SBC's systems to its wholesale customers. The Commission should reject this proposed PM.

**SBC ILLINOIS POSITION ON THE ADDITIONAL DISPUTE REGARDING
PROPOSED PERFORMANCE MEASURES THAT IS ONLY BEING RAISED IN
ILLINOIS**

85. There is one disputed issue affecting a current performance measure that is only being raised in the State of Illinois.

Disputed Issue 16: Deletion of PM 124 (Timely Resolution of Significant Software Failures Related With Releases) and Replacement with PM 124 (Measurement of Orders Effected By Software Defects Not Resolved Within 48 Hours).

86. In the third PM review two proposals were submitted by CLECs either to re-write or delete PM 124, Timely Resolution of Significant Software Failures Related with Releases.⁵ This PM was implemented as agreed to by SBC Illinois in the second PM review at the urging of CLECs and Indiana Utilities Regulatory Commission staff. The CLECs' proposals for PM 124 were included in the set of proposals about which SBC Midwest requested that CLECs collaborate to reduce their Change Management PM proposals to a reasonable number (as discussed under Disputed Issue 14 above).
87. As mentioned above, the CLECs responded to SBC Midwest's request to reduce the proposals to a reasonable number with nine separate PMs for SBC Midwest's consideration. An edited version of PM 124 was one of them, with Forte as the principal sponsor. Forte's proposed version of PM 124 is attached to this affidavit as Exhibit JDE-8. At the time SBC Midwest indicated that it could likely agree to many of the changes proposed to PM 124 (with several additional modifications noted), if the CLECs would defer their other Change Management PM proposals until after full discussion was completed, and appropriate agreements were reached on necessary process changes, in the CMP collaboratives. The CLECs chose not to defer those proposals until after process discussions were completed; rather, they chose to file disputes on them.

Accordingly, SBC Midwest could not consider implementation of Forte's proposed changes to PM 124.

88. On December 11, 2003, SBC Midwest communicated via email its response to the CLECs' Change Management PM proposals, including Forte's proposed version of PM 124. That email, the attachment, and SBC Midwest's proposed edits to Forte's version of PM 124 are attached to this affidavit as Exhibit JDE-9. The exhibit shows that SBC Midwest provided edits in response to Forte's proposal and indicated its willingness to implement a modified version of PM 124. As described above, the CLECs were agreeable to those edits, but would not defer their other change management PM proposals. So agreement to implement could not be reached.
89. At this time, SBC Midwest continues to offer implementation of its revised version of PM 124 to the CLECs as resolution of Disputed Items 14, 15 and 16. SBC Midwest's revised PM 124 clarifies Forte's version of the PM, which proposed to measure the percent of total LSRs submitted by the CLEC that are rejected due to software defects. Implementation of the updated version of PM 124 will add another measure that assesses the impact on CLECs of defects in the OSS interface process that impact CLECs – an issue which CLECs indicated in the collaborative was a primary concern regarding change management. Implementation of this measure will provide CLECs, and the Commission, visibility into the actual impact of software defects on CLECs' ability to submit orders to SBC Midwest.
90. Ultimately, SBC Midwest believes the Commission has two alternatives on this disputed issue. One is to defer resolution of the issue, along with the other Change Management

⁵ ChoiceOne submitted a proposal to "Re-write or Delete" PM 124. MCI proposed to change the existing PM to be unrelated to software releases.

Disputed Issues, numbers 14 and 15, to the appropriate collaborative process. Such a decision will reinforce the preferred method for resolving operational disputes – collaboration. Alternately, the Commission could take SBC Illinois up on the offer made by SBC Midwest in the third PM collaborative and, as resolution of all three Change Management PM disputes (issues 14, 15 and 16) filed by the CLECs, adopt SBC Midwest’s proposal to implement Forte’s proposed version of PM 124, as redlined by SBC Midwest.

FURTHER AFFIANT SAYETH NOT.

JAMES D. EHR

Subscribed and sworn to before me this _____ day of _____, 2004.

NOTARY PUBLIC